# NOMINATIONS OF MANUEL H. JOHNSON, JR., SUSAN W. LIEBELER AND ENRIQUE J. LEON

# HEARING

BEFORE THE

# COMMITTEE ON FINANCE
# UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

NOMINATIONS OF

SUSAN W. LIEBELER AND ENRIQUE J. LEON TO BE COMMISSIONERS OF THE INTERNATIONAL TRADE COMMISSION AND MANUEL H. JOHNSON, JR., TO BE ASSISTANT SECRETARY OF THE TREASURY

---

DECEMBER 8, 1982

---

Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

14-376 O WASHINGTON : 1983 HG 97-127

S361-13

## COMMITTEE ON FINANCE

ROBERT J. DOLE, Kansas, *Chairman*

BOB PACKWOOD, Oregon
WILLIAM V. ROTH, JR., Delaware
JOHN C. DANFORTH, Missouri
JOHN H. CHAFEE, Rhode Island
JOHN HEINZ, Pennsylvania
MALCOLM WALLOP, Wyoming
DAVID DURENBERGER, Minnesota
WILLIAM L. ARMSTRONG, Colorado
STEVEN D. SYMMS, Idaho
CHARLES E. GRASSLEY, Iowa

RUSSELL B. LONG, Louisiana
HARRY F. BYRD, JR., Virginia
LLOYD BENTSEN, Texas
SPARK M. MATSUNAGA, Hawaii
DANIEL PATRICK MOYNIHAN, New York
MAX BAUCUS, Montana
DAVID L. BOREN, Oklahoma
BILL BRADLEY, New Jersey
GEORGE J. MITCHELL, Maine

ROBERT E. LIGHTHIZER, *Chief Counsel*
MICHAEL STERN, *Minority Staff Director*

# CONTENTS

## NOMINEES


| | Page |
|---|---|
| Manuel H. Johnson | 17 |
| Enrique J. Leon | 6 |
| Susan Wittenberg Liebeler | 6 |


## ADDITIONAL INFORMATION


| | |
|---|---|
| Committee press release | 1 |
| Opening statement of Senator Dole | 1 |
| Prepared statement of Senator D'Amato | 2 |
| Letters from the Office of Government Ethics | 4, 5, 18 |
| Résumés of Dr. Enrique J. Leon and Susan Wittenberg Liebeler | 14, 15 |
| Résumé of Manuel H. Johnson | 22 |

# NOMINATIONS OF MANUEL H. JOHNSON, JR., OF VIRGINIA TO BE ASSISTANT SECRETARY OF THE TREASURY; ENRIQUE J. LEON, OF NEW YORK, AND SUSAN WITTENBERG LIEBELER, OF CALIFORNIA TO BE MEMBERS OF THE U.S. INTERNATIONAL TRADE COMMISSION

---

WEDNESDAY, DECEMBER 8, 1982

U.S. SENATE,
COMMITTEE ON FINANCE,
*Washington, D.C.*

The committee met, pursuant to notice, at 9:45 a.m., on Wednesday, December 8, 1982, in room 2221, Dirksen Senate Office Building, Senator Bob Dole (chairman of the committee) presiding.

Present: Senators Dole, Packwood, Roth, Danforth, Chafee, Heinz, Wallop, Durenberger, Armstrong, Symms, Grassley, Long, Byrd, Bentsen, Matsunaga, Moynihan, Baucus, Boren, Bradley, and Mitchell.

[The committee press release and Senator Dole's opening statement follow:]

[Press release No. 82-176, Dec. 6, 1982]

FINANCE COMMITTEE SCHEDULES HEARING ON THE NOMINATIONS OF SUSAN W. LIEBELER AND ENRIQUE J. LEON TO BE COMMISSIONERS OF THE INTERNATIONAL TRADE COMMISSION; AND MANUEL H. JOHNSON, JR., TO BE ASSISTANT SECRETARY OF THE TREASURY

Robert J. Dole, Chairman of the Committee of Finance, announced today that the Committee has scheduled a hearing on the nominations of Susan W. Liebeler, of California, and Enrique J. Leon of New York, to be Commissioners of the United States International Trade Commission; and Manuel H. Johnson, Jr., of Virginia, to be an Assistant Secretary of the Treasury.

The hearing is scheduled for December 8, 1982, beginning at 9:30 a.m. It will be held in Room 2221, Dirksen Senate Office Building.

Immediately following the hearing, the Committee will meet in executive session to consider the nominations.

*Written testimony.*—The Committee will be pleased to review written testimony from those persons or organizations who wish to submit statements on the nominations for the record. Statements submitted for inclusion in the record should be typewritten, not more than 25 double-spaced pages in length and mailed with five copies to be received by December 13, 1982, to Robert E. Lighthizer, Chief Counsel, Committee on Finance, Room 2227, Dirksen Senate Office Building, Washington, D.C., 20510.

---

OPENING STATEMENT OF SENATOR DOLE

It is a great pleasure for me to welcome to the Committee on Finance, Susan W. Liebeler and Enrique J. Leon, who have been nominated to be Commissioners of the

U.S. International Trade Commission; and Manuel H. Johnson, who has been nominated to be an Assistant Secretary of the Treasury. We are delighted to have all of you here.

I believe all members of the committee have been provided with the biographical material on the nominees. The financial disclosure forms of the nominees have been reviewed as well as the materials which were filed with the Office of Government Ethics. I am satisfied that there are no problems in this area. The Director of the Office of Government Ethics has forwarded a letter to the committee approving the nominees' compliance with the Ethics in Government Act. The letters will be made part of the record.

The CHAIRMAN. I think, first, we'll hear the ITC nominees. Senator Moynihan, did you want to introduce Mr. Leon?

Senator MOYNIHAN. Mr. Chairman, I have the honor to introduce Dr. Enrique Leon, who is a candidate for the International Trade Commission.

Important to me and to you, he is yet another academic who has entered the public service. He is a professor of international finance at Fairleigh Dickinson and a professor of management at Pace University. This is an avocation, I think, because he has been a very successful businessman. He has very much involved himself in international trade and finance—his juris doctorate came from the University of Havana, if I recall—very much involved in Caribbean activities, even now, a person of wide experience. The only thing that could only marginally be held against him, and that only marginally, is that he is of the wrong party. However, I am sure you will find him a most worthy candidate for this office, and I beseech your consideration, as you invariably have done.

Congratulations to you, Doctor.

The CHAIRMAN. Thank you very much, Senator Moynihan. I would like to follow your introduction with a statement of Senator D'Amato, which will be made a part of the record.

[Prepared statement of Senator D'Amato follows:]

PREPARED STATEMENT OF SENATOR ALFONSE D'AMATO

Mr. Chairman, I appreciate the opportunity this morning to introduce to the committee Dr. Enrique J. Leon for consideration as Commissioner of the U.S. International Trade Commission.

The President's recognition of Dr. Leon's exemplary legal and business background is clear in the offering of this nomination. A resident of New York and a practicing attorney, Dr. Leon holds several advanced degrees. In addition to a masters degree in business administration, he has earned two doctorate degrees, one in law and another in political, social, and economic science.

He has further distinguished himself as a result of practical experience in international corporate finance and banking. Dr. Leon is also professor of international finance at Fairleigh Dickinson University and professor of management at Pace University.

His breadth of experience in the private sector has earned for him the respect of the business community. He is especially cognizant of the nuances of the trade community.

Dr. Leon's insights and perspective will most assuredly complement the administration's efforts to restore a competitive balance for this Nation's businesses in the international marketplace.

It is a personal pleasure to commend this distinguished New Yorker to the committee for approval of his nomination to become Commissioner of the U.S. International Trade Commission.

Thank you for your thoughtful consideration of Dr. Leon for this important position.

The CHAIRMAN. I believe all the members of the committee have been provided with the biographical material on the nominees and

the financial disclosure forms of the nominees have been reviewed, as well, and the materials which are filed with the Office of Government Ethics, and I am satisfied that there are no problems in this area. The Director of the Office of Government Ethics has forwarded a letter to the committee approving both nominees, and the letter will be made part of the record.

[Letters from the Office of Government Ethics and the résumés of Dr. Enrique J. Leon and Susan Wittenberg Liebeler follow:]

United States of America
Office of
Government Ethics

Office of Personnel Management
Washington, D.C. 20415

Honorable Robert Dole
Chairman, Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Susan Liebeler, who has been nominated by President Reagan for the position of Commissioner, United States International Trade Commission.

We have reviewed the report and have also obtained advice from the International Trade Commission concerning any possible conflict in light of the Commission's functions and the nominee's proposed duties. Based thereon, we believe that Ms. Liebeler is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David R. Scott
Acting Director

Enclosure

BEST COPY AVAILABLE

United States of America
**Office of Government Ethics**

Office of Personnel Management
Washington, D.C. 20415

OCT 23 1982

Honorable Robert Dole
Chairman, Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Enrique J. Leon, who has been nominated by President Reagan for the position of Commissioner, International Trade Commission.

We have reviewed the report and have also obtained advice from the International Trade Commission concerning any possible conflict in light of the Commission's functions and the nominee's proposed duties. The Commission has indicated to us that upon confirmation, Mr. Leon intends to resign from those officer and director positions listed on Schedule D including his position as adjunct professor at Pace University. He will also terminate his private law practice before taking office.

Based thereon, we believe that Mr. Leon is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David R. Scott
Acting Director

Enclosure

14-376 O - 83 - 2

The CHAIRMAN. Doctor, I would like to ask you the following questions: Do you know of any reason you are not qualified to hold the position for which you have been nominated?

## STATEMENTS OF ENRIQUE J. LEON AND SUSAN W. LIEBELER, NOMINEES TO BE COMMISSIONERS OF THE INTERNATIONAL TRADE COMMISSION

Mr. LEON. No, Mr. Chairman, I do not.

The CHAIRMAN. Have you reviewed the conflict-of-interest laws and regulations with the committee's chief counsel?

Mr. LEON. Yes, Mr. Chairman, I have.

The CHAIRMAN. Do you have any statement you wish to make at this time?

Mr. LEON. Mr. Chairman, I do not have any prepared statement but I wish to declare that it is a great honor for me to appear before this committee to seek confirmation of my nomination to the International Trade Commission. I appreciate very much your taking your time, along with Senators Heinz, Byrd, and Moynihan, to participate in this hearing.

I wish to express that, if I am confirmed, I will discharge my duties with objectivity, independence, and impartiality. Now I am very pleased to respond to whatever questions you have.

The CHAIRMAN. Thank you very much. We will ask that your biographical material be made a part of the record prior to your introduction by Senator Moynihan, that the same be true of Mrs. Leibeler, and let me suggest that in your case, Mrs. Liebeler, we have had access to the financial forms. We have reviewed those forms, as well as the materials which were filed with the Office of Government Ethics. I am satisfied, based on staff reports, that there are no problems in this area. The Director of the Office of Government Ethics has forwarded a letter to the committee approving compliance with the Ethics in Government Act, and that letter will be made a part of the record in each case.

Mrs. Liebeler, I would ask you the same questions. I know Senator Heinz has questions of both nominees.

Do you know of any reason you are not qualified to hold the position to which you have been nominated?

Mrs. LIEBELER. No.

The CHAIRMAN. Have you reviewed the conflict-of-interest laws and regulations with the committee's chief counsel?

Mrs. LIEBELER. Yes, I have.

The CHAIRMAN. Do you have a statement you wish to make at this time?

Mrs. LIEBELER. I have no formal statement. I would like to say that it is an honor to be considered by the President for this position and to be here before you for consideration of confirmation of my appointment.

If I am confirmed, I look forward to my new responsibilities with the International Trade Commission, and I will be happy to answer any questions that you may have.

The CHAIRMAN. Senator Heinz, I think you indicated you might have questions of the nominees.

Senator HEINZ. Yes. Thank you, Mr. Chairman.

Let me welcome Dr. Leon and Mrs. Liebeler to the committee.

Let me ask you, Dr. Leon, is it the intent of Congress as you understand the current law, that the material injury standard in the Trade Agreements Act of 1979 be any higher than the earlier injury standard in prior law?

Mr. LEON. It is my understanding that the standard is higher.

Senator HEINZ. You believe the standard is higher.

Mrs. Liebeler, what is your understanding?

Mrs. LIEBELER. My understanding is that Congress defined in 1979 material injury as injury which is not immaterial, which is not insubstantial or unimportant.

Senator HEINZ. That is correct but it does not answer the question. The question is, do you believe that the——

Mrs. LIEBELER. I think Congress was trying to give guidelines on this area and that perhaps on paper it looks to be somewhat higher.

Senator HEINZ. You believe it is a somewhat higher standard.

Mrs. LIEBELER. It may appear so in writing. I——

Senator HEINZ. Well, you are going to have to make determinations of injury under the countervailing duty law, and——

Mrs. LIEBELER. As the law is now written, I will——

Senator HEINZ [continuing]. And dumping cases to which that——

Mrs. LIEBELER. That is right.

Senator HEINZ [continuing]. Injury standard applies. Now you are going to have to decide whether it is the same or higher than——

Mrs. LIEBELER. However, what the standard is now——

Senator HEINZ [continuing]. All the case law that was written prior to 1979. From what I hear you saying—and please tell me if I hear you wrong—I hear you saying that it is a higher standard. Now if you wish to disagree and say it is the same standard or it is a lower standard or it is a much higher standard——

Mrs. LIEBELER. No; it does not appear to be a much higher standard. It appears substantially similar to the standard that existed before. It might be a little higher.

Senator MOYNIHAN. Would the Senator yield?

Senator HEINZ. I would be happy to yield.

Senator MOYNIHAN. May I say, Professor Liebeler, that I am—I have to say that I am disturbed by this. Senator Heinz and I were together the authors of the material injury changes in 1979, if I can remember that far back, and I would have to say—and I would like the chairman to hear me say it—with greatest respect, to have a candidate for the Commission say that, "Well, this is a higher standard on paper," that is what we print laws on, Mr. Chairman, on paper. Does that suggest somehow a formality which need not be—somehow an irrelevance—on paper, yes, but in reality, no?

Mrs. LIEBELER. No, Senator. Please excuse me. That is not what I meant. I meant that I had looked at the law as it exists today, and my——

Senator MOYNIHAN. What are the laws? Should you have graven tablets, or do you have the normal laws that we pass?

Mrs. LIEBELER. The law as Congress has written.

Senator MOYNIHAN. What do they write it on? What do they print it on?

Mrs. LIEBELER. On paper.

Senator MOYNIHAN. On paper? Well, I think that——

Mrs. LIEBELER. I am trained as a lawyer. I have tremendous respect for paper. [Laughter.]

Senator MOYNIHAN. However, do you know that we changed the law?

Mrs. LIEBELER. Yes.

Senator MOYNIHAN. What did you mean by the thought that, well, on paper, yes, but—what is the "but" that follows that——

Mrs. LIEBELER. There is no "but." The standard is somewhat higher, the material standard that has been defined in the statute.

Senator HEINZ. I want to thank the Senator from New York for his most perceptive and learned inquiry, because we now have two nominees, both of whom say that the standard is in fact higher, that Congress meant to write it higher, in spite of the fact that a number of us on this committee, together with a number of people on the Ways and Means Committee, met with the existing Commissioners of the ITC in 1979 as we were debating how to write this part of the law, and they insured us that their interpretation of what we wrote is, in fact, not a higher standard; that indeed prior existing law defined injury necessarily as injury that was not immaterial, that was not insubstantial, that was not superficial.

Indeed, you quite rightly, Mrs. Liebeler, have quoted the exact words of the interpretation of previous law which we incorporated, codified by statute as existing law under the 1979 act. Therefore, I would urge you to go back and carefully review the legislative history because the very clear intent of Congress, both as stated on paper and on the floor, is that it is the same standard notwithstanding the insertion of the word "material" because the word "material" has been carefully defined to make it consistent with interpretations that existed previously. I assume you have made that study and you have a disagreement.

Let me ask you another question about the standards: Do you think the standard for a preliminary determination of injury in a dumping or a countervailing duty case is a lower standard than the final determination for the same case? Dr. Leon?

Mr. LEON. Senator, I think that in the preliminary determination the standard is lower because what we need, according to my interpretation, is a reasonable showing that there is a possible injury.

Senator HEINZ. Mrs. Liebeler?

Mrs. LIEBELER. At the preliminary part of the case it seems to me that the standard may be the same but the amount of evidence available at that time is different. It is clear that all the evidence does not have to be in to support a final judgment.

Senator HEINZ. However, the threshold of injury——

Mrs. LIEBELER. Upon the basis of the evidence before you that there is a reasonable likelihood that there is an injury.

Senator HEINZ. What threshold could be lower than material injury?

Mrs. LIEBELER. What threshold could be lower?

Senator HEINZ. Yes. Do you think there is any——

Mrs. LIEBELER. I was talking about the amount of evidence. What threshold could be lower? I suppose insubstantial injury would be lower, inconsequential injury, nominal injury.

Senator HEINZ. Do you think that in general, just philosophically—both of you—that if an American industry is experiencing some kind of significant degree of injury, that it is the job, assuming you find that kind of injury to exist, that it is the job of the U.S. International Trade Commission and its Commissioners to recommend a pattern of relief under section 201 that will remove the amount of injury? Dr. Leon?

Mr. LEON. Well, I would like to say that there are two different standards of injury. In some parts of the law the concept of material injury is allowed but there is also the concept of serious injury which is lower than the material injury.

Answering your question, it is clear that American industry is suffering injuries for differing reasons. The question is that as a Commissioner——

Senator HEINZ. Let's just take one of those examples, the serious injury standard which exists under section 201.

Mr. LEON. Yes.

Senator HEINZ. Do you believe it is the job of the U.S. International Trade Commission to recommend a set of proposals that will have the effect of eliminating or, alternatively, more than eliminating or, alternatively, not fully eliminating the amount of injury being experienced by the petitioning industry?

Mr. LEON. I think that when the Commission finds that there is serious injury in 201 cases which cover the escape clause, taking into consideration the facts in front of the Commission, all the circumstances, if the Commission determines that there is an injury and the injury is serious, their recommendation has to be awarding relief to the petitioner.

However, you know, Senator, that these two concepts, serious injury and material injury, and also substantial injury, are theoretical concepts and they should be considered in the context of the facts.

Senator HEINZ. This I understand, but I am trying to elicit an answer to the question, which I will put in even starker and simpler terms—if the chairman would prefer, I will defer my questions——

The CHAIRMAN. No. Fine.

Senator HEINZ [continuing]. And be happy to do so.

The CHAIRMAN. I think we have a few minutes. First yourself and then Senator Long.

Senator HEINZ. Well, maybe I have had my 5 minutes. I could yield to Senator Long. Maybe I could just finish this question. It should only take a second.

The CHAIRMAN. Sure. Go ahead.

Senator HEINZ. If the petitioner on a 201 case satisfies the Commission that there is, first, serious injury and substantial cause in force——

Mr. LEON. Yes.

Senator HEINZ [continuing]. Then my question is, do you believe it is the job of the Commission to recommend import relief, quotas, tariffs, a mixture of the two, something inventive, that fully elimi-

nates the cause of the injury, or do you favor going beyond that or doing less than that?

Mr. LEON. Well, if the evidence supplied by the petitioner and the investigation of the Commission prove that there is a serious injury and there is a substantial cause because there are imports which fall within the definition of section 201, I think that the Commission has to recommend the remedy or the relief for the domestic petitioner.

Senator HEINZ. However, the question is not whether it is supposed to recommend relief; that is in the statute. The question is how much, what degree of relief.

Mr. LEON. Well, I think that there are several reliefs. You said quotas, tariffs, marketing arrangements, and I think that the relief should be related to the harm caused by the import of merchandise.

Senator HEINZ. Mr. Leon, there is no question that the relief should be related to the harm. The question is to what degree, in absolute terms, it is related to the harm.

Let me ask our other witness, if I may. Mrs. Liebeler?

Mrs. LIEBELER. It is my understanding that Congress intended for the Commission to make recommendations to prevent or remedy the harm.

Senator HEINZ. My question to you is, would you view your job as a Commissioner to recommend relief sufficient to fully eliminate the cause of the serious injury?

Mrs. LIEBELER. It seems to me the statute almost requires that, a recommendation that——

Senator HEINZ. Well, that may be, but once you become a Commissioner no one is going to really argue with you. You are not subject to judicial review on these kinds of questions so what the statute requires is really whatever you think it requires, once you become a Commissioner. Therefore, your interpretation now is the interpretation that is going to guide you in the future. There isn't going to be anybody second-guessing you.

Mrs. LIEBELER. I understand what you are saying.

Senator HEINZ. Yes.

Mrs. LIEBELER. However, if I am not responsive I will try to be more so.

Senator HEINZ. Well, I understand. I am just trying to ask you, How do you feel about it? I mean, do you believe that you should——

Mrs. LIEBELER. I believe it is the obligation of a Commissioner to carry out the statute that Congress wrote.

Senator HEINZ. Every Commissioner on the Commission, understandably, is different. They all not only look at the same set of facts and come to different conclusions but, having come to a series of similar conclusions as to whether serious injury and causation exist, come to different conclusions about what kind of protection is warranted under 201.

I am going to have to defer this, Mr. Chairman. I will have a significant number of questions to propound later, verbally or in writing.

The CHAIRMAN. Senator Long?

Senator LONG. Mrs. Liebeler, I am looking at the résumé that you provided the committee:

December 1980 to January 1981, consultant to Michael M. Uhlmann, Associate Director, Office of Policy Coordination, Office of the President-Elect. (As a consultant I participated in policy planning and evaluation for the independent regulatory agencies.) (Mr. Uhlmann is currently Special Assistant to the President, Office of Policy Development, Washington, D.C.)

His telephone number is given here. Now I assume that that is correct. You prepared that, did you not?

Mrs. LIEBELER. Yes, sir, I did.

Senator LONG. It is also my understanding that you have served on the Republican staff for the Trade Subcommittee of the House Ways and Means Committee.

Mrs. LIEBELER. That is not correct, Senator.

Senator LONG. Do you mind telling me, what are the facts about that?

Mrs. LIEBELER. That is the first I have ever heard of that. I have never served on that staff. I'm sorry.

Senator LONG. No, I see what you mean. I am glad to get that straightened up. That was a Mr. Calhoun who had served as an independent, and he had served in such a capacity, and he was appointed to what could otherwise have been a Republican vacancy and his background was Republican.

Now did you serve on the transition team for the Reagan administration?

Mrs. LIEBELER. Yes, sir.

Senator LONG. I see. Now did you support President Reagan for his election?

Mrs. LIEBELER. Yes, sir.

Senator LONG. Now when we had Mr. Calhoun here, to serve as an independent to a position that otherwise would have had to go to a Republican, he had a Republican background and so it was completely appropriate that he be appointed, as he was by President Carter, to fill an independent slot which otherwise would have had to be filled by a Republican because the Republicans otherwise would have been entitled to that slot.

Now do you think it appropriate that you be sent in here to fill a vacancy which would either be filled by a Democrat or an independent on a Commission where there would be three other Republicans?

Mrs. LIEBELER. Senator, I can appreciate your concern but I can assure you that my credentials are almost apolitical. I am truly an independent. I was retained as a consultant because of my securities expertise, and——

Senator LONG. Now let me tell you the thing that concerns me.

Mrs. LIEBELER [continuing]. And I have had almost no political involvement.

Senator LONG. Let me tell you the thing that concerns me about that.

Mrs. LIEBELER. Certainly.

Senator LONG. You perhaps know something about this because I believe you are familiar with the background of this Commission, are you not?

Mrs. LIEBELER. To some extent, sir, yes.

Senator LONG. Some years ago when Lyndon Johnson was the President of the United States, I was the chairman of the committee and I believe I was the Democratic whip, the party whip at the same time in the Senate, but at that time I actually went to the mat with President Johnson over this issue, that this Commission should be independent, and we won on that, that this Commission should be totally independent.

Let me tell you what had been happening prior to that time, and it has happened since that time. People in that White House, these people in that State Department, want to dominate that Commission. They want to run that Commission. They want to dictate the decisions of that Commission because they believe that trade is foreign policy. Are you aware of that?

Mrs. LIEBELER. I am generally aware of that, sir.

Senator LONG. All right. Now frankly, for example—I have never heard the Secretary of State say this himself—back when Mr. Kissinger was Secretary of State, I tried to get a man to serve on as Special Trade Representative and that gentlemen told me that he was not going to do it. One of the reasons he was in doubt was that he just thought he didn't see how the man that held even that job was going to be able to escape the domination of the Secretary of State, Mr. Kissinger. He told me that Mr. Kissinger took the attitude that all of this was foreign policy and that it ought to be, in the last analysis, decided by the person in charge of foreign policy, who would be the Secretary of State. Mr. Kissinger did not tell me that, but I got that from the man to whom Mr. Kissinger said it, who had the responsibility to be independent, I would hope.

All right. Now to me it is very obvious—and I have had something to do with all this down through the last 10 or 15 years—it is all too obvious to me that those who are involved in trade over in the State Department feel that their way to control the decisions on that Commission is to go through the White House to do it, to have someone in the White House call over there and tell someone on that Commission what they want done.

Now you worked under Mr. Uhlmann on that transition team, did you not?

Mrs. LIEBELER. Yes, sir.

Senator LONG. All right. Mr. Uhlmann is now the Special Assistant to the President in the Office of Policy Development dealing with this subject, is he not?

Mrs. LIEBELER. To be perfectly honest, Senator, I cannot define Mr. Uhlmann's duty very precisely at the present time. I am not altogether familiar with what he is working on.

Senator LONG. Well, now, the point that I have in mind here is that I am concerned about the possibility of a call coming from that State Department to the man with whom you served and under whom you served on that transition team, saying, "Ask that lady to vote with us on this matter," and I want to ask you, if that type of call came to you, what would your response be?

Mrs. LIEBELER. I can appreciate your concern, Senator. I am very aware that this is an independent agency, independent of the executive branch, and if confirmed I will strive to maintain that independence.

Senator LONG. Now under previous Presidents I have had these type situations occur, where a good Commissioner should be appointed for an additional term, and I have communicated with the White House about that and have been told, "Well, the President's doubts about that person have to do with the fact that that person does not vote with us very often." I have been told, "Well; look, I think we can arrange it that that person would be reappointed, but tell that person to vote with us more." Now how is that in accord with the independence of that Commission? How does that square with the independence of the Commission?

Mrs. LIEBELER. I can certainly appreciate your concern, Senator. I can only tell you that I am determined to be independent and I am independent.

Senator LONG. Now please understand that this job to which you are being recommended here is a job where that Commission is supposed to recommend what the law implies. It is supposed to be independent of the White House. We even fixed it so that its budget would be independent of the White House. Are you aware of that? I see you nodding.

Mrs. LIEBELER. Yes, I am aware of that.

Senator LONG. In other words, it creates some budget problems. It is a little more difficult to get the money because we have to go a separate route to get it rather than having it go through the Bureau of the Budget, but we did not want the White House to be in a position to cut the funds if the Commission was doing its duty and being very independent. You are familiar with that?

Mrs. LIEBELER. Yes, sir.

Senator LONG. Now having done all this to achieve the independence of the Commission, you can see, I am sure—or I believe you could see—how important it is to us that that Commission decide independently what they think, based on the information presented to them.

Mrs. LIEBELER. Absolutely, Senator.

Senator LONG. You feel that you are in a position to do that and make an independent judgment on these matters, every one of them, notwithstanding the fact that there will be efforts—if history is any indication of the future—that there will be efforts to suggest to you how you ought to vote and how the administration would like for you to vote on some of these issues?

Mrs. LIEBELER. Again, I can repeat my determination to remain independent and interpret and apply the law as Congress has written it.

Senator LONG. Have you always been registered as an independent?

Mrs. LIEBELER. Yes, sir.

Senator LONG. For as long as you have voted, you have been registered as independent?

Mrs. LIEBELER. For as long as I have voted.

Senator LONG. Have you ever supported Democratic candidates for high public office as well as Republicans?

Mrs. LIEBELER. I have not been actively involved in politics, to be perfectly honest with you. I have been primarily an academic and a practicing lawyer.

Senator LONG. Well, thank you very much.

14-376 O - 83 - 3

The CHAIRMAN. Let me suggest that I think Senator Heinz has some additional questions, and we have a rather heavy schedule. As I understand it, Senator Heinz has questions of both nominees. I am wondering if we might be able to maybe call you back either later today or tomorrow? It will not be this morning. Can I just keep in touch with you so we can complete the hearing process? Is that satisfactory? Are you both in town?

Mr. LEON. Yes.

Mrs. LIEBELER. Yes.

[Biographical statements follows:]

DR. ENRIQUE J. LEON

ADDRESS

301 E. 75th Street, Apt. 9H, New York, N.Y. 10021, (212) 628-2228 (home), (212) 286-0398 (office).

EXPERIENCE

1975-present: Practicing Attorney at Law in New York and New Jersey, admitted to the New York and New Jersey Courts, the New Jersey District Court and the United States District Courts for the Southern District and Eastern District of New York. I represented SBA and Banco de Ponce and Banco Union in several loan closings. Currently, I am representing SBA in the foreclosure of a loan in the Superior Court of New Jersey. Also I have participated as a lecturer in seminars organized by MBDA and in seminars on small business at Pace University.

1973-present: Professor of International Finance at Fairleigh Dickinson University and Professor of Management at Pace University.

1972-75: President of Leonso Corporation, a New York consulting firm.

1969-71: Executive Vice President and a Director of a Spanish investment company establishing and developing enterprises in association with multi-national corporations in Spain.

1966-68: Vice President of Czarnikow Rionda Sugar Company, a New York corporation, doing business for more than $100 million a year.

1960-65: Vice President and Director of Olavarria and Company, Inc. and Galban Lobo Company, Ltd. in New York. I oversaw several subsidiaries incorporated in the U.S., Panama, Puerto Rico, Bahamas, Spain and Philippines and other countries doing business in different fields. I worked in the acquisition of the Godchaux Sugar Refining Co. (Louisiana) and Michigan Sugar (registered in the American Stock Exchange) and I was Director of Godchaux Sugar Refining Co. I arranged the sale of a $2 million factory from the Puertorican Government to a Philippine buyer financed by the Chase Manhattan Bank.

1953-60: Director and Vice President of Financier Bank.

1950-60: General Counsel of Galban Lobo Company (the biggest Latin American conglomerate) with more than 20 lawyers under my supervision. I handled several mergers and acquisitions, the financing of the Riviera hotel and the purchase of the land where this hotel was erected and the acquisition of the Hershey group for $24.5 million from Carl M. Loeb Co. I became a Director and an Executive VP of the Hershey group companies.

1950-60: Municipal Judge of Bahia Honda City, Cuba—3 years.

Bachelor of Arts and Sciences; Master of Business Administration. NYU; Doctor of Law—Havana University School of Law; L.L.B.—Spain University School of Law; B.S. Accounting—Santa Clara School of Business; Doctor in Political, Social and Economic Sciences, University of Havana, Social and Political Science School.

COMMUNITY RELATIONS

1977-80: Economic Advisor of Spanish Grocers Association in New York.

1975-present: Legal Advisor Latin American Chamber of Commerce of New York; Vice President of the Cuban Lawyers Association; Member of the Cuban American Lawyers Association; and President of the Political, Social and Economic Alumni Association in Havana, Cuba before 1960.

PUBLICATIONS

The Control of Inflation.
Postwar Economic Problems.
The Latin American Enterpreneur.
How Does the Balance of Payments Reflect the Cuban Economy Shortcomings?
Economic Relations Between the United States and Latin America.
Analysis of Factors Underlying Price Movements in the United States Sugar Market (160 pages).

GENERAL

Height: 5'8".
Weight: 150 lbs.
Citizenship: U.S.A.
Health: Good.
Marital status: Married.
Fluent in English and Spanish.
Member of the American Bar Association.
Former Member of the New York Coffee and Sugar Exchange. 1963–66.

---

RÉSUMÉ OF SUSAN WITTENBERG LIEBELER

ADDRESS

30373 Morning View Drive, Malibu, California 90265, (213) 457-2926 (Home), (213) 736-1097 (Office).

EDUCATION

1960–63: University of Michigan, B.A., Political Science, 1963.
1963–64 (first year only): University of Michigan Law School.
1964–66: UCLA Law School, LL.B, June 1966, Class Rank: 4th out of 214, Senior Editor, Law Review, Order of the Coif, Stein Scholar.

PROFESSIONAL EMPLOYMENT AND ACTIVITIES

August 1981 to July 1982:, Special Counsel to Honorable John S.R. Shade, Chairman, Securities and Exchange Commission, Washington, D.C. 20549.
1973 to present:, Professor of Law, Loyola Law School, 1441 West Olympic Blvd., Los Angeles, California 90015.
Courese taught: Corporations, Securities Regulation, Financial Institutions, Corporate Finance, Business and Tax Planning, Legal Ethics, advanced seminars in corporate and securities laws.
Summer 1982:, Visiting Professor, University of Texas Law School, 727 E. 26th St., Austin, Texas 78705.
December 1980 to January 1981:, Consultant to Michael M. Uhlmann, Associate Director, Office of Policy Coordination, Office of the President-Elect (As a consultant I participated in policy planning and evaluation for the independent regulatory agencies).
(Mr. Uhlmann is currently Special Assistant to the President, Office of Policy Development, Washington, D.C. (202) 456-2372.
January 1975 to August 1975: Consultant to U.S. Railway Association, Washington, D.C.
Fall 1974: Consultant, Environmental Protection Agency, Washington, D.C.
1972–73: General Counsel, Verit Industries, Beverly Hills, Calif.
Winter 1972: Consultant to U.S. Price Commission, Washing. n, D.C.
1971–72: Practiced law in Brattelboro, Vt.
1970–71: Associate General Counsel, Republic Corporation, Los Angeles, Calif.
1968–70: Associate Attorney, Greenberg, Bernhard, Weiss & Karma, Los Angeles, Calif.
1967–68: Associate Attorney, Gang, Tyre & Brown, Los Angeles, Calif.
1966–67: Law Clerk to Hon. Gordon L. Files, Presiding Justice, California Court of Appeals, Los Angeles, Calif.

BAR MEMBERSHIPS AND OTHER ACTIVITIES

Admitted to practice in California and Vermont. Member of California State Bar Assoication; Business and Corporation Section of Los Angeles County Bar Assoication; Women Lawyers Association of Los Angeles.

Summer 1977: 8th Annual Economics Institute for Law Professors at University of Miami Center for Law and Economics (three week economics course for law professors).

PUBLICATIONS AND PAPERS

Student Publications:

13 UCLA Law Review 167 (1966) *A Charitable Armageddon: Commission V. Clay B. Brown*

13 UC.A Law Review 503 (1966) Book Review, Jones, *The Courts, the Public and the Law Explosion.*

*Pensions and the Cost of Securities Law Protection—The Implications of Daniel v. International Brotherhood of Teamsters,* 11 Loyola Law Review 709 (1978).

August 1979, presented paper, "The Effect of Government Regulation of Cash Takeovers" at a law and economics conference at the University of Chicago, sponsored by the Liberty Fund.

April 1982, presented paper "Regulation and Deregulation of Financial Markets" to the University of Rochester Graduate School of Management Executive Development Program in Washington, D.C.

Cost Effective Regulation of Cash Tender Bids (in progress).

A Proposal to Eliminate Shareholder Proposals (in progress).

PERSONAL INFORMATION

Born: July 3, 1942, New Castle, Pa.

Married: Wesley J. Liebeler, Professor of Law, UCLA Law School.

Three children.

The CHAIRMAN. Therefore, you could both be excused at this time and then I will confer with Senator Heinz and we will try to accommodate your schedule.

I have asked Ambassador Brock to take just a few minutes, and then we will hear the nomination of Mr. Johnson, and then move into the gas tax.

[Recess taken.]

The CHAIRMAN. I think what we would like to do now is just take a few minutes and Senator Byrd would introduce Manuel H. Johnson, who has been nominated to be an Assistant Secretary of the Treasury. I think we can dispose—I don't mean it in that sense—but we can act, we can handle this nomination fairly rapidly, and then move on to the gas tax.

Senator Byrd?

Senator BYRD. Thank you, Mr. Chairman.

Manuel H. Johnson of Virginia has been nominated for the important position of Assistant Secretary of the Treasury for Economic Policy. Mr. Johnson is a native of Alabama. He took his Ph. D. degree from Florida State University. He was in the department of economics of that university and then he came to Virginia as assistant professor and then associate professor of economics. George Mason University is an outstanding university, and while I do not know Mr. Johnson well, my understanding is that he made an outstanding record at George Mason University as associate professor of economics. More recently he has been Deputy Assistant Secretary for Economic Policy in the Treasury Department, and now has been nominated to be Assistant Secretary for Economic Policy.

I am delighted to present Manuel H. Johnson to this committee and to commend him to you for swift approval of his nomination.

Thank you.

The CHAIRMAN. Thank you, Senator Byrd.

Mr. Johnson, do you have any family members present? We would like to meet any family members.

## STATEMENT OF MANUEL H. JOHNSON, NOMINEE TO BE ASSISTANT SECRETARY OF THE TREASURY

Mr. JOHNSON. Yes, Mr. Chairman. I have my wife, Mary, present and my son, Marshall. They are sitting right over here.

The CHAIRMAN. Marshall looks very interested. [Laughter.]

Mr. JOHNSON. I think he is more interested in the gas tax. [Laughter.]

The CHAIRMAN. You did draw a pretty good crowd for your nomination hearing. That speaks very well. Are these supporters in the room?

Mr. JOHNSON. Yes, all.

The CHAIRMAN. I knew there was a lot of interest in this nomination but I didn't know it had reached that peak. [Laughter.]

The CHAIRMAN. Now as I have indicated earlier, we have looked at the financial disclosure forms and they have been received, as well as the materials which were filed with the Office of Government Ethics, and based on a staff review of those proposals I am satisfied there are no problems in this area. The Director of the Office of Government Ethics has forwarded a letter to the committee approving the nominee's compliance with the Ethics in Government Act, and this letter will be made a part of the record.

[Letter from the Office of Government Ethics follows:]

United States of America
**Office of Government Ethics**

Office of Personnel Management
Washington, D.C. 20415

6 1982

Honorable Robert Dole
Chairman, Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Manuel H. Johnson, Jr., who was nominated by President Reagan for the position of Assistant Secretary (Economic Policy), Department of the Treasury.

We have reviewed the report and have also obtained advice from the Department of Treasury concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Johnson is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David R. Scott

David R. Scott
Acting Director

Enclosure

The CHAIRMAN. Based on information and any other background information, do you know of any reason you are not qualified to hold the position for which you have been nominated?

Mr. JOHNSON. No, I do not, Mr. Chairman.

The CHAIRMAN. Have you reviewed the conflict-of-interest laws and regulations with the committee's chief counsel?

Mr. JOHNSON. Yes, I have.

The CHAIRMAN. Do you have any statements you wish to make at this time.

Mr. JOHNSON. I have no prepared, formal statement but I would like to make one remark. I would like to say that I think it is a great honor to be considered by President Reagan and yourself, Mr. Chairman, for this position, and if confirmed, I will try to carry out the responsibilities of this office to the best of my ability.

I think that today economic policy development is one of the most critical areas of public service to this country. Given the central role that this committee plays in determining our Nation's economic policies, I look forward and hope to work well with this committee to restore a vibrant and growing economy that will increase the wealth of all Americans.

The CHAIRMAN. Now what will your duties be at the Treasury, Mr. Johnson?

Mr. JOHNSON. I am responsible for economic policy, primarily domestic economic policy, and my major function is to advise the Secretary of the Treasury on economic matters and to help prepare the administration's economic forecast for the budget.

The CHAIRMAN. You have been acting in that capacity for some time?

Mr. JOHNSON. Yes, 10 months now.

The CHAIRMAN. Therefore, you are familiar with your job and the responsibilities.

Mr. JOHNSON. Yes, Mr. Chairman.

The CHAIRMAN. I have no additional questions. Does any other member of the committee have any?

Who was your immediate predecessor?

Mr. JOHNSON. My immediate predecessor was Paul Craig Roberts.

Senator BYRD. Was who?

Mr. JOHNSON. Paul Craig Roberts.

Senator BYRD. Oh, yes.

The CHAIRMAN. Are there any questions of the nominee?

Senator BYRD. Mr. Chairman?

The CHAIRMAN. Yes.

Senator BYRD. I had a multitude of questions but since the committee has been so good to me this morning, I shall ask only one:

Mr. Johnson, what is your estimate of the deficit for fiscal year 1983? You have been working in that field for a long time now.

Mr. JOHNSON. The administration is still in the process of preparing precise estimates for the 1983 deficit. We still have not put in final form our forecast or our budget estimates, so I cannot give you a precise answer but I can tell you that the deficits are large. Some of the numbers that have been talked about in the public press are in the ball park. We face a deficit problem of something over $150 billion.

Senator BYRD. $150 billion? Thank you.

Senator LONG. Well, could you give us some indication as to what the high side might be? You say the $150 billion, I take it, is the low figure. What is the range; $150 billion up to what? How high could it go?

Mr. JOHNSON. Well, it all depends on the performance of the economy, since the 1983 budget has already been decided. Of course, there would still be some budgetary changes. There really is not much more that can be done for the 1983 year, so that to some extent, the budget is baked in the cake. Therefore, depending on whether we have good economic performance or bad, the deficit will be lower or higher, but I really cannot give you an upper range. If we go through another year of recession we could have a catastrophic deficit.

Senator LONG. Well, I was told that it could go above $200 billion.

Mr. JOHNSON. Well, it depends, as I said, on how well the economy does. If we don't get the recovery we need, the deficit could very well exceed $200 billion.

Senator BAUCUS. Mr. Chairman, may I ask a question?

The CHAIRMAN. Sure.

Senator BAUCUS. Well, regarding recovery, we have had over the past 18 months numerous predictions from people who have been witnesses at various hearings here regarding recovery. What is your estimate as to when we will begin the recovery?

Mr. JOHNSON. I think we are in the early stages of recovery now, but I think there won't be strong signs that we are into the recovery stage until 1983. We are looking for something on the order of 3.5 to 4 percent real economic growth during 1983. There are some early signs that we are in a recovery stage. The index of leading economic indicators has been positive for several months in a row now, and all of the early signs in the financial markets indicate that they expect increases in corporate earnings in the near future, which is suggested by the rise in the stock markets and the bond markets.

Therefore, I think that an economist would say that we are approaching recovery. It is just a matter of how sustained and how large.

Senator BAUCUS. You say 1983. Can you be more precise as to when in 1983 we might see strong signs of recovery?

Mr. JOHNSON. I think economists have made too many claims in the past about the accuracy of their forecasts and the timing, so that I really won't try to say that it is going to be in the second quarter or third quarter or fourth quarter. We think that we will have stronger growth in the latter half of the year than the first, but we have been known to miss on timing in much shorter timespans than that so I really can't be too specific. All I can say is, we are looking for 3.5 to 4 percent growth next year, and we hope that we get some strong quarters sometime around the middle of 1983 but we expect the second half to be stronger than the first.

Senator BAUCUS. Should that not occur, is there a point in time in your own mind when the administration ought to rethink its whole economic policy? I mean, is there some time period beyond

which we don't go, say, "Well, it's coming, it's coming, it's coming," in your own mind?

Mr. JOHNSON. Well, I definitely think that if we do not get a recovery in 1983, regardless of what we think, we will be forced to reconsider everything. I think that we need a strong, growing economy in 1983, or I think Ambassador Brock is correct about the growing trends toward protectionism. This country, as well as the entire world, needs an economic recovery and we need it soon.

Senator BAUCUS. Therefore, in your own mind, if we have not had what you indicate you expect or hope will occur, that is, 3.5 or 4 percent real economic growth in 1983, with strong signs at least in the latter half of 1983, we will have to have—the administration in your mind will have to then rethink its whole economic——

Mr. JOHNSON. I said we need an economic recovery. I am not sure that a slightly slower economic recovery would cause us to rethink our policies. There are some fundamental aspects of our economic program that I think we would never yield on or never change. We have a general philosophy and we think that is right but as far as that goes, if we don't get a recovery I think political events will force us to do things differently.

Senator BAUCUS. Thank you.

The CHAIRMAN. If there are no other questions, I would move that the committee favorably report the nomination of Manuel H. Johnson to be an Assistant Secretary of the Treasury.

Senator LONG. I second that nomination.

The CHAIRMAN. Without objection, then, we will make that report. Thank you very much, Mr. Johnson.

[The biographical statement follows:]

CURRICULUM VITAE

Manuel H. Johnson

PERSONAL DATA

| | |
|---|---|
| Born: | February 10, 1949 in Troy, Alabama |
| Citizenship: | U.S. |
| Marital Status: | Married: Two Children |
| Military Status: | Veteran: U.S. Army Special Forces, 1968-71 |
| Home Address: | 10512 Dillard Court<br>Fairfax, Virginia 22032<br>(Telephone: 703-323-6279) |
| Office Address: | Office of the Assistant Secretary for Economic Policy<br>U.S. Department of the Treasury<br>15th St. & Pennsylvania Ave.<br>Washington, D.C. 20220 |

RECENT EMPLOYMENT HISTORY

U.S. Department of the Treasury, Acting Assistant Secretary for Economic Policy, 1982-present; Deputy Assistant Secretary for Economic Policy, 1981-1982.

George Mason University, Department of Economics, Associate Professor of Economics, 1980-1981; Assistant Professor of Economics, 1977-1980.

Florida State University, Department of Economics, Teaching and Research Assistant, 1973-1976.

EDUCATION

| | |
|---|---|
| B.S. Economics | Troy State University, Troy, Alabama; 1973 |
| M.S. Economics | Florida State University, Tallahassee, Florida, 1974 |
| Ph.D. Economics | Florida State University, Tallahassee, Florida, 1977 |

HONORS

Cum Laude, Troy State University; Omicron Delta Epsilon, International Honor Society in Economics; Labor Economics Prize, Awarded by the Center for Study of Public Choice for the best research paper in labor economics; Nuclear Regulatory Commission Doctoral Dissertation Fellowship, Letter of Commendation from Secretary of the Treasury, Donald T. Regan, for development of the Economic Recovery Tax Act of 1981; Office of the Secretary of the Treasury Honor Award.

POLICY MANAGEMENT RECORD

U.S. Treasury Department, Reagan Administration Appointee

Assumed the position of Acting Assistant Secretary for Economic Policy on February 1, 1982 after serving as Deputy Assistant Secretary for Economic Policy from March 20, 1981 to January 31, 1982.

Major Responsibilities as Acting Assistant Secretary

-- Provide council to the Secretary of the Treasury and other Administration officials on economic developments

-- Assist the Treasury Secretary in determination and development of appropriate economic policies

-- Represent Treasury in the formulation of the executive branch forecast of the economy and the annual fiscal year budget proposal

-- Manage a 35 person professional research and support staff

Participation in Special Projects

-- Prepared and helped Secretary Regan deliver economic policy briefings to the President and senior White House staff

-- Prepared statistical, graphical and descriptive material on the Administration tax proposals during debate and passage of the Economic Recovery Tax Act

-- Delivered briefings to and support services for Cabinet Council on Economic Affairs

-- Headed the Treasury delegation on two Presidential Task Forces: The Puerto Rico Task Force and the Task Force on Housing

-- Chaired the Treasury Task Force on Treasury Receipts and Debt Limit Forecasting

-- Was the official Treasury spokesman on the President's "New Federalism" program and was involved in developing many of the economic concepts for this initiative

-- Supervised preparation of all Congressional testimony on economic matters on a wide range of policy

-- Chaired part of the U.S. consultations with the International Monetary Fund

--Testified before seven Congressional committees and subcommittees concerning taxes, interest rates, inflation, and small business economic problems

-- Participated in numerous panels, debates, and seminars regarding the review and outlook of the U.S. economy and consideration of Administration economic policies

-- Made numerous speeches to associations, Chambers of Commerce, public interest groups, foundations, research institutes, and university faculty on the Administration's economic program

ACADEMIC RECORD

TEACHING AND RESEARCH INTERESTS

Economics of Energy and Natural Resources
Public Choice
Regional Economics
Labor Economics
Industrial Organization
Econometrics
Political Economy

BOOKS AND MONOGRAPHS PUBLISHED

The Political Economy of Federal Government Growth, (co-author), College Station, Texas: Texas A & M University, 1980.

Tax Limitation Without Sacrifice: Private Sector Production of Public Services (co-author), Ottowa, Illinois: Caroline House Publishers, 1980.

Deregulating Labor Relations, (co-author), Dallas, Texas: The Fisher Institute, 1981.

Pushbutton Unionism (co-author) Fairfax, Virginia: Contemporary Economics and Business Association, George Mason University, 1980.

Demographic Trends in Higher Education: Collective Bargaining and Forced Unionism? (co-author), International Institute for Economic Research, University of California, Los Angeles, 1979.

An Assessment of the Impact of Nuclear Power Plant Construction and Operation on Small Regions. U.S. Nuclear Regulatory Commission NUREG Series, Springfield, Virginia: National Technical Information Service, 1978.

PUBLICATIONS IN PROFESSIONAL JOURNALS

"Natural Resource Scarcity: Empirical Evidence and Public Policy," (co-author), Journal of Environmental Economics and Management, September, 1980.

"Regional Environmental and Economic Impact Evaluation: An Input-Output Approach," (co-author), Regional Science and Urban Economics, forthcoming.

"Paperwork and Bureaucratic Behavior," (co-author), Economic Inquiry, July, 1979.

"An I-O Model of Regional Environmental and Economic Impacts of Nuclear Power Plants," (co-author), Land Economics, May, 1979.

"The Impact of Right to Work Laws on the Economic Behavior of Local Unions: A Property Rights Perspective," Journal of Labor Research, Spring, 1980. This paper received the Labor Economics Prize awarded by the Center for Study of Public Choice for the best research paper in labor economics.

"Union Use of Employee Pension Funds: Introduction and Overview," (co-author), Journal of Labor Research, Fall, 1981.

"Corporate Contributions: Some Additional Considerations," (co-author), Public Choice, Spring, 1979.

"Public Versus Private Provision of Collective Goods and Services: Garbage Collection Revisited," (co-author), Public Choice, Winter, 1979.

"Free Riders in U.S. Labor Unions: Artifice or Affliction?" (co-author), British Journal of Industrial Relations, July, 1979.

"Mathematics and Quantification in Economic Literature: Paradigm or Paradox?" (co-author), Journal of Economic Education, Fall, 1979.

"Increasing Resource Scarcity: Further Evidence," (co-author), Quarterly Review of Economics and Business, Spring, 1980.

"The Efficacy of Bond-Financed Fiscal Policy," (co-author), Public Finance Quarterly, July, 1980.

"Tax Limitation Without Sacrifice: Private Sector Production of Public Services." (co-author), Public Finance Quarterly, October, 1980.

"Staff Spending by U.S. Senators: Liberals Versus Conservatives," (co-author), Policy Review, Summer, 1979. This paper was featured in the April 11, 1979 issue of The Wall Street Journal.

"Quantification and Rigor in the Periodical Literature: Trends and Implications," (co-author), Akron Business and Economics Review, Fall, 1979.

"The Political Economy of Federal Government Paperwork," (co-author), Policy Review, Winter, 1979. This paper was featured in the lead editorial of the February 12, 1979 issue of The Wall Street Journal.

"An Abstract Approach to the Relative Ranking of Economic Journals," (co-author), Nebraska Journal of Economics and Business, Spring, 1980.

"The Future of the Modern University," (co-author), Journal of Social and Political Studies, Fall, 1980.

"The Energy Crisis in the U.S.: An Economic Perspective," (co-author), Journal of Social and Political Studies, Fall, 1978.

"Illegal Aliens: Economic and Social Issues," (co-author), Akron Business and Economic Review, Fall, 1978.

"U.S. Energy Policy and The Energy Crisis: Cause or Cure?" (co-author), Policy Review, Spring, 1979.

"Laws of Committee Organization in Bureaucracy," (co-author), The Bureaucrat, Summer, 1979.

"The Definition of Bureaucrats of Bureaucratic Definitions," (co-author), The Bureaucrat, Spring, 1978.

"Bureaucratic Imperialism: Some Sobering Statistics," (co-author), The Intercollegiate Review, Winter, 1977-78.

OTHER PUBLICATIONS

"Are Monetarism and Supply-Side Economics Compatible?" in Supply-Side Economics: A Critical Appraisal, Richard H. Fink, ed., University Publications of America, 1982.

"Private Sector Unions in the Political Arena: Public Policy Vs. Employee Preference," (co-author), Proceedings of the Association for Public Policy Analysis and Management, Richard Zeckhauser, ed., Duke University Press, 1982.

"Illegal Aliens: Problems and Policies," A.E.I. Legislative Analyses, American Enterprise Institute for Public Policy Research, September, 1978.

"The Renegotiatiation Reform Act of 1977," A.E.I. Legislative Analyses, (co-author), September, 1977.

"Review of Introductory Economics by Edwin G. Dolan," in A Critical Appraisal of Economic Principles, James Taylor, ed., forthcoming, 1982.

"Paperwork and Public Policy," (co-author), Policy Report, September, 1979

Estimated Historical Impact of Deteriorated Water Quality on United States Coastal Fishery Resources, (co-author), Florida State Universtiy, December, 1974.

"Mises on Bureaucracy," (co-author), History of Economics Society Bulletin, Spring, 1979.

Adaptation to a Non-Growth Status, Tallahassee: The State University System of Florida, December, 1973.

Review of Application for Site Certification: Arvah B. Hopkins Generating Station, (co-author), Tallahassee: Florida Resources and Environmental Analysis Center, September, 1975.

BOOK REVIEWS

Review of Stephen D.Cohen, The Making of United States International Economic Policy in Perspective, February, 1978.

Review of Dennis Meadows, ed., Alternatives to Growth I: A Search for Sustainable Futures in Environment, November, 1978.

Review of Peter J. Katzenstein, Between Power and Plenty: Foreign Economic Policies of Advanced Industrial States in Perspective, July, 1978.

Review of Ward Morehouse, ed., American Labor in a Changing World Economy in Perspective, March, 1979: This review was reprinted in Economic Impact published by USIA.

Review of Robert Schuettinger and Eamonn Butler, Forty Centuries of Wage and Price Controls in Perspective, July, 1979.

Review of Waldemar A. Nielson, The Endangered Sector in Perspective, March, 1980.

Review of Lynton R. Hayes, Energy, Economic Growth, and Regionalism in the West in Perspective, September, 1980.

Review of Herman E. Daley, ed., Economics, Ecology, Ethics in Perspective, January, 1980.

CONGRESSIONAL TESTIMONY AND PUBLICATIONS

Testimony before the Speical Small Business Problems Subcommittee of the U.S. House of Representatives concerning the impact of federal government regulations and paperwork on the small businessman, June 13, 1978.

Testimony before the Senate Committee on Small Business concerning Senate Bill S.602 (paperwork reform), June 27, 1979.

Testimony before the SBA Task Force on Government Competition with Small Business concerning "Public Versus Private Provision of Collective Goods and Services," August 28, 1979.

Testimony before the House Subcommittee on Special Small Business Problems and an article by Jack Anderson featuring this testimony were published in the Congressional Record, August 3, 1978.

"Bureaucratic Imperialism: Some Sobering Statistics," re-printed in the Congressional Record, May 8, 1978.

"Federal Government Paperwork and Bureaucratic Behavior," (co-author), Hearings before the Subcommittee on Special Small Business Problems, 96th Congress, Washington, D.C., U.S. Government Printing Office, 1979.

"Paperwork and Small Business: A Proposal for Reform," (co-author), Hearings before the Subcommittee on Special Small Business Problems, 96th Congress, Washington, D.C., U.S. Government Printing Office, 1979.

"Small Business and the Federal Paperwork Burden," Hearings before House Budget Committee Task Force on Inflation, 96th Congress, Washington, D.C., U.S. Government Printing Office, forthcoming.

"Inflationary Aspects of Bond-Financed Fiscal Policy," Hearings before House Budget Committee Task Force on Inflation, 96th Congress, Washington, D.C., U.S. Government Printing Office, forthcoming.

PARTICIPATION AT PROFESSIONAL MEETINGS

"Private Sector Unions in the Political Arena: Public Policy Vs. Employee Preference," presented at the second annual meeting of the Association for Public Policy Analysis and Management, Boston, Massachusetts, October 17th and 18th, 1980.

"Structural Reform in Federal Government: Changes in Incentives to Reduce Bureaucratic Growth," presented at the Conference on Structural Reform in Government, sponsored by the National Taxpayers Foundation, Washington, D.C., December 5th and 6th, 1980.

"The Impact of Right to Work Laws on the Economic Behavior of Local Unions: A Property Rights Perspective," presented at the Western Economic Association Meetings, Las Vegas, Nevada, June, 1979.

"Demographic Trends in Higher Education: Collective Bargaining and Forced Unionism?" presented at the Western Economic Association Meetings, Las Vegas, Nevada, June, 1979.

"Public Versus Private Provision of Collective Goods and Services: Garbage Collection Revisited," presented at the Southern Economic Association Meetings, Atlanta, Georgia, November, 1979.

"Free Riders in the Labor Union: Artifice or Affliction?" presented at the Public Choice Society Meetings, Charleston, South Carolina, March, 1979.

"Regional Environmental and Economic Impact Evaluation: An Input-Output Approach Applied to Nuclear Power," presented at the Southern Regional Science Association Meetings, Richmond, Virginia, April, 1978. Abstracted in the Review of Regional Studies.

"Federal Government Paperwork and Bureaucratic Behavior," presented at the Public Choice Society Meetings, New Orleans, Louisiana, March, 1978.

"Mathematics and Quantification in Economic Literature: Paradigm or Paradox?" presented at the Southern Economic Association Meetings, Washington, D.C., November, 1978.

"Public Versus Private Provision of Collective Goods and Services," presented at an invited seminar held at the Center for Study of Public Choice, Virginia Polytechnic Institute and State University, July, 1978.

"Are Conservatives Fiscally Conservatives?" presented at the Public Choice Society Meetings, San Francisco, California, March, 1980.

"The Economic Significance of Sand and Gravel in Florida's Coastal Zone," presented at the Florida State University Conference on Marine Resources, March, 1974.

GRANT RESEARCH

"The Qualitative Dimensions of Federal Government Growth," supported by the International Center for Economic Policy Studies, the Media General Foundation, and a research grant from George Mason University.

"An Assessemnt of the Economic Benefits from Living Marine Resources Which Will Accrue from Incremental Improvements in the Quality of Costal Water," conducted for the National Commission on Water Quality.

"The Economic Feasibility of Aquaculture Transfer Among Lesser Developed Countries," conducted for the U.S. State Department, Agency for International Development.

Research grant from the Center for Research and Advanced Studies at George Mason University to study "The Qualitative Dimensions of Federal Government Growth," awarded May 1, 1979.

Research grant from the Media General Foundation to study federal government growth, awarded May, 1979.

Research grant from the International Center for Economic Policy Studies to write a book entitled "Federal Government Growth: Theory and Empirical Evidence," awarded April, 1979.

Research grant from the John M. Olin Foundation to study the regulatory aspects of labor relations, awarded October, 1979.

CONSULTING ACTIVITIES

consultant to numerous trade associations, contract research firms, and businesses, e.g., American Enterprise Institute, Heritage Foundation, Office of Technology Assessment, National Federation of Independent Business, U.S. Chamber of Commerce.

PROFESSIONAL SOCIETIES

Philadelphia Society
American Economic Association
Southern Economic Association
Western Economic Association
Public Choice Society
Regional Science Association
Association of Environmental and Resource Economists

OTHER PROFESSIONAL ACTIVITIES

Associate Editor, Journal of Labor Research
Adjunct Scholar, The Heritage Foundation
Referee, National Science Foundation, Southern Economic Journal, Journal of Labor Research
Book review contributor, Perspective
Book review contributor, Economic Impact

GRANTS MANAGEMENT

Administered university research grants totaling over $400,000. Administration of these grants required coordination of the research efforts of faculty members, research associates, consultants, and graduate research assistants. Responsibilities included management and supervision of budget, computer use, research effort, travel and final report development.

JOURNAL DEVELOPMENT

Worked with a colleague to create, develop, and edit a major professional journal entitled Journal of Labor Research. This journal is regarded as one of the foremost international publications in the field of labor economics. The journal serves about 3,000 labor specialists, libraries, and research institutes in over 35 different countries. Responsibilities included management of the journal staff and 21 editorial board members. Over 100 manuscripts are processed annually and approximately 600 pages published in the journal each year.

Mr. JOHNSON. Thank you, Mr. Chairman.

The CHAIRMAN. Now we will take up the gas tax bill.

[Whereupon, at 11:15 a.m., the committee recessed, to reconvene immediately thereafter in executive session.]

○